

Food, Nutrition, and Consumer Services, USDA

Human Capital Plan

(FY 2003–07)

June 30, 2003

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1.0 EXECUTIVE SUMMARY

The purpose of the Food, Nutrition and Consumer Services (FNCS) Human Capital Plan is to address the strategic management of the Agency's human capital over the next 5 years. This plan uses the USDA Human Capital Plan as a blueprint for identifying business drivers and internal and external factors that impact human capital planning, as well as agencywide improvement goals, action strategies, activity timelines, and performance measures.

The U.S. Department of Agriculture (USDA) has approved a new strategic plan that will guide its efforts for the next 5 years. FNCS will assure that its strategic plan continues to complement the new USDA strategic plan, and will reflect the USDA emphasis on the management of human capital.

The foundation for the USDA strategic plan is the Bush Administration's Policy Report, *Food and Agricultural Policy: Taking Stock for the New Century*, which lays out a long-term view of the Nation's agricultural and food system. Effective implementation of the new strategic plan will enable the Department to meet the challenges articulated in the policy report. Most of these challenges are new. All are multi-agency in dimension, and FNCS has a clear role to play in the Department's success. That success depends in large part on a USDA and FNCS workforce that is highly motivated, skilled, flexible, and technologically adept.

Maintaining such a workforce will be difficult, given the rate of retirements anticipated in the near future, tough competition for high-quality candidates, and the ever-increasing rate of technological change and technical information becoming inherent in most agency jobs. Human capital planning is critical to ensuring that the agency's workforce remains capable of providing effective leadership on food, nutrition and related issues.

This Human Capital (HC) Plan establishes a framework of policies and practices that will guide FNCS' efforts in meeting these workforce needs. It contains interdependent improvement goals and action strategies that will transform how we assess, plan for, and respond proactively to our human capital challenges and needs. The plan follows USDA's lead in adopting the following improvement goals:

- **Strategic Alignment/Human Capital Planning:** Institute a practice of systematic human capital management that is aligned with USDA and FNCS strategic plans and integrated with budgets.
- **Workforce Planning and Deployment:** Institute an agency practice of conducting workforce planning that enables FNCS to efficiently and effectively deploy its workforce, as well as prevent skills gaps.
- **Accountability System:** Ensure that FNCS human resources programs are strategically aligned, effective, efficient, and in compliance with applicable laws, regulations, and the President's Management Agenda (PMA), using a Departmentwide accountability system.
- **Talent Management:** Align recruitment and retention strategies with workforce planning efforts to enhance the effectiveness of these efforts and close critical position and competency gaps.

- **Leadership Development and Succession Planning:** Ensure leadership continuity and development through workforce planning and analysis, and optimal agency use of available tools and resources, in order to better achieve mission requirements.
- **Knowledge Management and Employee Development:** Ensure that FNCS captures and shares knowledge, and develops employee competence to better perform its mission.
- **Performance Management:** Ensure the FNCS performance appraisal system is aligned with agency mission accomplishment and is linked to employee development and recognition programs, ultimately improving individual and organizational performance.
- **Diversity Management, Equal Employment Opportunity (EEO), and Civil Rights:** Ensure a diverse workforce with the necessary skills to accomplish the FNCS mission and strategic goals.
- **Labor and Employee Relations and Conflict Management:** Prevent and successfully resolve employee disputes and maintain effective working relationships with labor organizations.

Action strategies, milestones, and key performance measures in Appendix A support these improvement goals. Potential Civil Rights impacts on the workforce were also monitored as the plan was developed, and the Department’s Civil Rights policies are included in Appendix B.

The FNCS HC Plan is a living document that will be reviewed regularly to ensure its effectiveness in maintaining a workforce capable of confronting and managing the work of the agency.

3.0 OVERVIEW OF FNCS’ GOALS AND WORKFORCE

3.1 FNCS’ STRATEGIC PLANNING FRAMEWORK

FNCS’ HC Plan was designed to institute policies and practices that will ensure FNCS has a workforce capable of carrying out the FNCS Strategic Plan through FY 2005. To put the HC Plan in context, we provide the mission, vision, values, strategic goals, and key outcomes from the plan, below.

Our Mission: FNCS increases food security and reduces hunger in partnership with cooperating organizations by providing children and low-income people access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence.

Our Vision: To be recognized as a dynamic and effective organization.

Strategic Goals and Outcomes:

Goal 1: Improved nutrition of children and low-income people.

- Improved food security.
- FNCS program participants make healthy food choices.

- Improved nutritional quality of meals, food packages, commodities, and other program benefits.

Goal 2: Improved stewardship of Federal funds.

- Improved benefit accuracy and reduced fraud.
- Improved efficiency of program administration.

3.2 PROGRAM AND WORKFORCE OVERVIEW

The Food and Nutrition Service (FNS) administers the nutrition assistance programs of the U.S. Department of Agriculture. FNS has elevated nutrition and nutrition education to a top priority in all its programs. In addition to providing access to nutritious food, FNS also works to empower program participants with knowledge of the link between diet and health.

The agency was established August 8, 1969, but many of the food programs originated long before FNS existed as a separate agency. The Food Stamp Program, now the cornerstone of USDA's nutrition assistance, was begun in its modern form in 1961, but it had its origins in the Food Stamp Plan to help the needy in the 1930's. The National School Lunch Program also has its roots in Depression-era efforts to help low-income children. The Needy Family Program, which has evolved into the Food Distribution Program on Indian Reservations, was the primary means of food assistance during the Great Depression.

FNS works in partnership with the States in all its programs. States determine most administrative details regarding distribution of food benefits and eligibility of participants, and FNCS provides funding to cover most of the States' administrative costs.

Congress appropriated \$37.9 billion for FNS programs in Fiscal Year 2002. By comparison, FNS programs cost \$1.6 billion in 1970, the first full year of the agency's operation.

The approximately 1600 individuals who make up FNS' permanent, temporary, seasonal, and intermittent workforce make it possible for the agency to carry out missions and programs vital to the American people. The breadth of FNS' programs result in a very diverse workforce in terms of demographics and skills, a field structure that helps FNS provide services directly to our customers. Approximately 65 percent of FNS' employees work outside of the Washington, DC area. Following is a statistical snapshot of our workforce:

- The average age among FNS employees is 47 and nearly half of FNCS employees are over 50 years old. (About 25 percent are over 55 years old.) Nearly 58 percent of our current workforce is eligible to retire in the next 10 years.
- 57 percent of the current FNS workforce has more than 16 years of service.
- There are fewer younger workers entering the replacement pipeline, with only about 8 percent of FNS' workforce under age 31.
- The average grade of FNS employees is GS-11. Additionally, approximately 58 percent of employees are in grades GS-9 through GS-12. Projected retirements among GS-7 and

GS-9 employees over the next decade suggest a potential replacement shortfall for retiring higher-grade employees.

FNS' workforce reflects streamlining and de-layering efforts, as part of a Departmentwide streamlining initiative that began in 1992. That initiative ultimately reduced the number of FNS field locations, and resulted in a decline in the number of supervisors and reductions in administrative staff, particularly at Headquarters. In addition, over the years FNS has undertaken specific initiatives to streamline program delivery and/or administrative structures to improve service delivery. Limited budgets, effective use of technology, and competitive sourcing have also constrained FNS' staffing levels.

3.3 EXTERNAL AND INTERNAL DRIVERS

The FNCS HC Plan must support our most important resource: our people. To do this, it is critical that we conduct a regular strategic assessment of our business environment. Our current strategic planning efforts indicate a variety of external and internal drivers that impact human capital planning. These considerations are provided below.

External Drivers

- Changing citizen expectations of the Government's role, including more collaboration and citizen involvement
- The heightened national focus on Homeland Security since September 11, 2001
- Citizen and congressional interest focused on civil rights issues
- The Government Performance and Results Act
- Legislative initiatives

Internal Drivers

- A significant loss of leadership and management skills due to a projected high rate of Senior Executive Service (SES) employees eligible for retirement and the reduced pipeline of replacements
- An expected projected inventory gap (i.e., number of staff available) in mission critical positions
- A Departmentwide focus on the Bush Administration's Policy Report, *Food and Agricultural Policy: Taking Stock for the New Century*
- Implementation of major policy initiatives, such as . . .
- The USDA Strategic Plan and eGovernment Strategic Plan
- A decade of downsizing and associated reductions in the influx of new knowledge, skills, and abilities

- Increasing reliance on corporate IT systems, desktop hardware and software, and other automation to better support agency performance
- Greater emphasis on promoting a knowledge-sharing culture
- Continued emphasis on civil rights in program delivery

These external and internal drivers help to reinforce the types of human capital initiatives that must be in place to ensure that we have the right number and skill mix of employees in our workforce. They also help to demonstrate the impact of technology on the types of skills we need and how our work can be performed more efficiently and with more customer responsiveness.

3.5 FNCS HUMAN CAPITAL IMPERATIVES

By addressing these drivers, and the USDA Strategic Plan, FNCS endorses the following human capital imperatives:

- To ensure we are able to meet our strategic goals, FNCS must lay the foundation for effective human capital management through consistent and ongoing human capital and workforce planning efforts.
- To minimize the impact of leadership attrition and to respond to new program leadership competency requirements, FNCS must focus on leadership development and succession planning activities.
- To ensure that FNCS improves its citizen-centered structure and the President’s goals of a market-based, results-oriented government, we must ensure collaboration between human capital efforts and other Department and agency PMA leaders. We will incorporate the Competitive Sourcing, eGovernment, Financial Management, and Budget and Performance Integration initiatives in our workforce planning activities.
- To ensure an agile and effective workforce, FNCS must undertake training and culture change efforts. Areas of focus include—
 - Improving technology skills across the board to enable the use of existing information systems for better program delivery
 - Improving customer service through customer service training and eliminating administrative program redundancies to provide better program integration
 - Improving our managers’ business skills
- To support a wider scope of responsibilities, FNCS must be able to provide the appropriate human capital solutions. These may include capitalizing on economies of scale in recruiting efforts, retraining staff undergoing program shifts, and assisting staff and managers in accomplishing greater program responsibilities with fewer staff.

4.0 HUMAN CAPITAL PLAN STRUCTURE

Strategic management of human capital is necessary to ensure that FNCS' human resources are effectively utilized, and that they support the Agency's vision and mission. This plan is intended to be flexible enough to accommodate circumstances not only as they are today, but also as they will unfold in the future. Although it is a roadmap that will enable FNCS to accomplish its human capital goals over the 5 years, we expect to adjust the plan as we proceed.

4.1 APPROACH

In January 2003, FNCS established a cross-organizational team of agency employees to develop a human capital plan. This Human Capital Working Group (HCWG), with senior agency management input and review, first defined FNCS' human capital imperatives based on an analysis of the USDA Human Capital Plan.

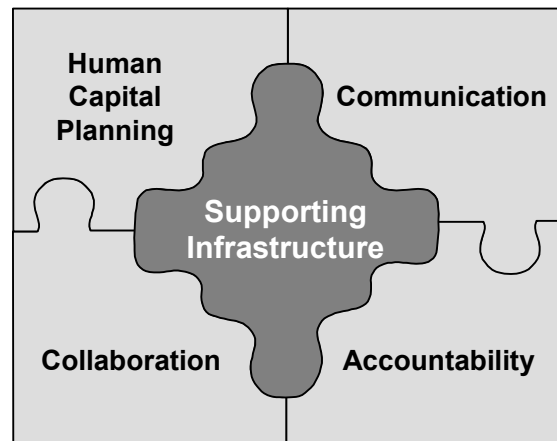
The HCWG endorsed several key characteristics of the USDA HC Plan for FNCS' plan. These include—

- The FNCS Human Resources Division (HRD) will play a leadership role in the agency human capital planning effort. Some instances of HRD's leadership include—
 - Developing standardized guidelines and training in human capital planning and workforce planning, as necessary
 - Developing and promoting Agencywide policy that supports accomplishing human capital goals
 - Facilitating forums to share information and best agency practices.
- FNCS assumes responsibility for the “corporate standards” developed for USDA agencies by the Department. These standards establish a baseline of minimum performance that all USDA agencies must meet, while allowing flexibility to create systems that address unique agency needs.
- The FNCS HC Plan is a living document that will be updated on a regular basis. This updating and recalibration process will help to ensure alignment with the Department's evolving Strategic Plan, the FNCS Strategic Plan, Departmental and FNCS PMA initiatives' progress, and other major changes.
- The FNCS HC Plan is also a single source for performance expectations, timelines, and measures for meeting the human capital goals within the Department, a mechanism to respond to OPM and OMB regarding FNCS progress toward meeting human capital goals, and a vehicle to examine and ensure more business efficiencies and reduction of redundant human capital systems.

4.2 SUPPORTING INFRASTRUCTURE

FNCS affirms the four management systems identified by the Department that are critical for building and, more importantly, sustaining the human capital effort. HRD will champion these four systems: Human Capital Planning, Communication, Collaboration, and Accountability.

- **Human Capital Planning**—FNCS’ HC Plan is linked to the agency’s Strategic Plan and mission. The HC Plan will be reviewed on a regular basis and may be adjusted to ensure continued alignment. In addition, FNCS will institute a practice of human capital planning as a part of its management practices, and will be responsive to any new or shifting external drivers.
- **Communication**—FNCS will develop and implement a comprehensive communications strategy that ensures all internal stakeholders understand the Agency’s HC Plan, including their roles and responsibilities related to it, and will provide regular progress reports to stakeholders.
- **Collaboration**—FNCS will foster an environment of learning, innovation, and collaboration regarding human capital efforts. HRD will collaborate with leaders in other USDA PMA areas. FNCS will continue to utilize the HCWG and other working groups to ensure efficient, high quality, responsive human capital programs.
- **Accountability**—FNCS will utilize the USDA accountability system to measure the Agency’s progress toward achieving and the effectiveness of human capital goals. In addition, the system will be used to identify and correct human capital problems and issues as they arise, provide self-assessment tools and regular reporting schedules, and provide mechanisms to hold executives, managers, human capital professionals, and employees accountable through performance management and other systems.



4.3 ROLES AND RESPONSIBILITIES

To successfully implement FNCS’ HC Plan, everyone, from the Administrator to front-line employees, must be committed to the plan and its goals. Senior leadership will need to communicate their commitment to human capital and achieving the human capital goals. In addition, they must provide support by incorporating human capital into their performance plans and ensuring resources are allocated to the efforts. HRD will take the lead in implementing and updating the FNCS HC Plan, participate in Departmentwide planning, communication, and reporting, and work with the FNCS Office of Communications and Governmental Affairs (CGA) to develop and implement the communication strategy. The FNS Human Resources Division (HRD) will be responsible for managing and implementing the accountability system within FNCS. Through communication efforts, employees should be able to identify their roles in the FNCS HC Plan and provide feedback.

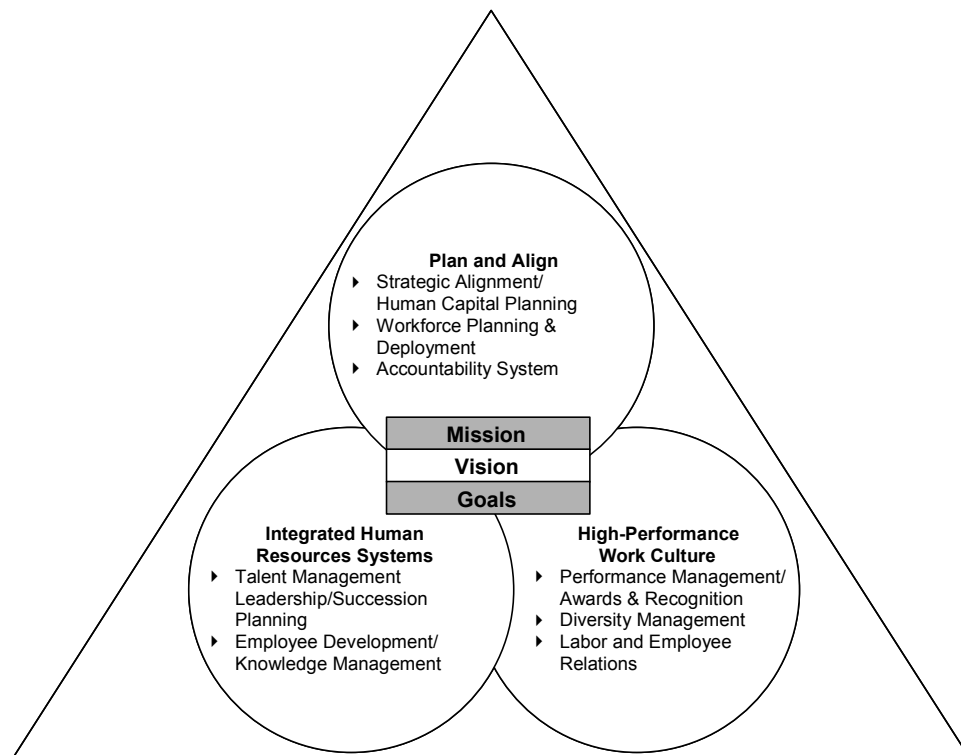
5.0 HUMAN CAPITAL IMPROVEMENT GOALS AND STRATEGIES

FNCS is improving the way we manage our human capital in order to ensure that we meet the challenges of the 21st century. The agency already has in place several programs, initiatives, activities, and tools to address issues related to the recruitment, development, and retention of the workforce. While this HC Plan addresses a variety of areas for improvement, it focuses on better alignment of human capital programs with the agency's strategic goals and missions.

5.1 USDA/FNCS HUMAN CAPITAL FRAMEWORK

FNCS endorses the integrated human capital framework developed by the Department that is shown in figure 5-1. This system has three key components: Conducting Strategic Planning and Alignment, Implementing Integrated Human Resources Systems, and Creating a High-Performance Work Culture. When properly implemented, our human capital system will enable, motivate, and inspire our workforce to meet the agency's mission, vision, and key goals.

Figure 5-1: USDA/FNCS Human Capital Framework



First, we will build a solid human capital foundation that includes careful human capital and workforce planning, strategic alignment, an accountability system, and effective workforce deployment. With the human resources structure in place, we can then begin to design and implement integrated human resources systems, such as recruitment and retention, employee development and knowledge management, and leadership and succession planning. Efficient and effective human resources programs will help support a high-performance work culture. Attention will also focus on improving programs and systems in performance management, diversity, and labor and employee relations. This integrated human capital framework will serve as a beacon to FNCS in its human capital planning and program development efforts.

FNCS' human capital strategy includes the key elements outlined in the USDA Human Capital Framework: Strategic Alignment and Human Capital Planning; Workforce Planning and Deployment; Accountability System; Talent Management; Leadership and Succession Planning; Knowledge Management and Employee Development; Performance Management; Diversity Management, EEO, and Civil Rights; and Labor and Employee Relations and Conflict Management. For each element in our plan, we present and discuss the following:

- Improvement goal(s)
- Future action strategies, timelines, and measures to assess progress toward goal attainment.

5.1.1 Strategic Alignment and Human Capital Planning

Improvement Goal 1:

Institute a practice of systematic human capital management that is aligned with the USDA and FNCS strategic plans, and integrated with budgets.

Action Strategies:

- Develop and begin implementing a human capital plan that includes a communications component. With the publication of this Plan, this strategy has been completed. As directed by the Department, this HC Plan has been developed by HRD in collaboration with agency leaders and managers and integrated with agency strategic plans to identify mission-critical and human capital issues.
- Align human capital plan elements with agency strategic plan/annual performance plans.
- Set priorities for resources and funding in accordance with this HC Plan.
- Participate in Departmentwide collaboration efforts by providing representatives for working groups and forums, and sharing best practices. This is being done on an on-going basis.

5.1.2 Workforce Planning and Deployment

Improvement Goal 2:

Institute an agency practice of conducting workforce planning that enables FNCS to efficiently and effectively deploy its workforce, as well as prevent skills gaps.

Action Strategies:

- FNCS leadership and HRD staff will collaborate to conduct workforce planning using the Departmentwide model, once it is developed.
- Develop and implement a workforce restructuring plan, with program manager involvement, that incorporates competitive sourcing solutions and resource savings related to eGovernment efficiencies. The workforce restructuring plan will provide action items, timelines, and responsibilities aimed at achieving a more efficient, streamlined, and citizen-centered agency.
- Provide updates to the Department on the workforce restructuring plan, once finalized.

5.1.3 Accountability System

Improvement Goal 3:

Ensure that FNCS human resources programs are strategically aligned, effective, efficient, and in compliance with applicable laws and regulations (e.g., Veteran's Preference, Equal Employment Opportunity (EEO), Merit System Principles) and the PMA using a Departmentwide accountability system (yet to be developed).

Action Strategies:

- Participate in the development of USDA's HRM Accountability Program. The Department has committed to developing this program, which will:
 - Use an agency team to define accountability and develop short- and long-term plans
 - Ensure a consistent approach
 - Provide user-friendly, cost-effective tools for agencies
 - Institutionalize a results-oriented, data-driven system with key indicators/standards
 - Identify information to measure and creates a checklist for agencies
 - Include an annual assessment of effectiveness.
- Systematically evaluate FNCS programs using processes, tools, and schedules contained in the USDA Accountability Program.
- Provide quarterly reports via the HC Plan reporting system on progress toward USDA Accountability Program goals and actions (once the reporting system is developed).

5.1.4 Talent Management

Improvement Goal 4:

Align recruitment and retention strategies with workforce planning efforts to enhance the effectiveness of these efforts and close critical position and competency gaps.

Action Strategies:

- Develop and implement recruitment and retention plans with workforce planning and deployment plans; focus on mission-critical positions as well as existing and projected competency gaps.
- Train recruiters and supply the necessary materials to effectively represent FNCS.
- Continue to explore and promote the use of HR flexibilities to recruit and retain employees and emphasize planning for their use in the budget cycle.
- Increase the use of senior leaders and program managers in recruiting activities, especially those focused on meeting diversity goals and filling mission-critical and competency-gap positions.

5.1.5 Leadership Development and Succession Planning

Improvement Goal 5:

Ensure leadership continuity and development through workforce planning and analysis, and optimal use of available tools and resources, in order to better achieve mission requirements.

Action Strategies:

- Include the leadership function (e.g., managers, supervisors, and SES cadre) in the workforce planning and analysis process to identify agency-specific position and competency requirements.
- Develop agency-specific succession plans using the Departmental framework and toolkit, when developed.

5.1.6 Knowledge Management and Employee Development

Improvement Goal 6:

Ensure that FNCS captures and shares knowledge, and develops employee competence to better perform the agency's mission.

Action Strategies:

- Actively participate in the USDA eGovernment content and knowledge management effort, and implement the Department's knowledge management strategy when complete.
- Develop and/or implement a training strategy linked to workforce planning and deployment efforts that addresses standards for technology investments.

- Participate in and support implementation of the ongoing eGovernment enterprise-wide efforts to establish a learning management system; implement the Department’s Learning Management System when available.
- Assess the impact of agency training strategies on closing competency gaps and meeting business goals.

5.1.7 Performance Management

Improvement Goal 7:

Ensure the FNCS performance appraisal system is aligned with agency mission accomplishment and is linked to employee development and recognition programs, ultimately improving individual and organizational performance.

Action Strategies:

- Link the FNCS performance management system (including performance appraisal, awards and recognition, and developmental needs) with agency mission accomplishment for all employees starting with managers. When the linkage is established, educate and/or communicate to employees about the linkage.
- Work with USDA/OHRM to assess the effectiveness of the FNCS performance management system (including performance appraisal, awards and recognition programs, and related development strategies), and ensure that the system addresses performance distinctions.

5.1.8 Diversity Management, Equal Employment Opportunity, and Civil Rights

Improvement Goal 8:

Ensure a diverse FNCS workforce with the necessary skills to accomplish the agency’s mission and strategic goals.

Action Strategies:

- Ensure that diversity, civil rights, and EEO are properly aligned with and incorporated, as appropriate, into FNCS strategic planning initiatives and annual performance plans.
- Incorporate diversity targets in workforce planning; continue to focus on attracting, hiring, developing, and advancing applicants and employees who are members of under-represented and socially disadvantaged groups. Ensure compliance with civil rights and EEO laws, merit systems principles, veterans’ preference, and prohibited personnel practices.
- Participate in Departmentwide information collection and sharing to facilitate compiling and disclosing data used in assessing compliance with civil rights, EEO, and related reporting requirements.

5.1.9 Labor and Employee Relations and Conflict Management

Improvement Goal 9:

Prevent and successfully resolve employee disputes and maintain effective working relationships with FNCS labor organizations.

Action Strategies:

- Incorporate basic Labor/Management Relations (LMR) and labor contract administration training into new supervisor training or new labor contract orientation programs for supervisors and managers.
- Establish an agency LMR strategy and plan that articulates goals and actions FNCS will take to address LMR issues and obligations that may arise in conjunction with agency program changes.
- Participate in the development of the USDA standardized electronic dispute record system and its eventual implementation.

6.0 PRESIDENT’S MANAGEMENT AGENDA COORDINATION OVERVIEW

It is critical that FNCS’ HC Plan be coordinated with the four other PMA initiatives: competitive sourcing, financial management, expanding electronic government, and budget and performance integration. While this alignment is part of the FNCS HC Plan’s goals and action strategies, the following summarizes the areas of alignment.

6.1 COMPETITIVE SOURCING

FNCS submitted a Competitive Sourcing Plan to USDA in May 2002, with the goal of competing at least 15 percent of positions in the FAIR Act Inventory by September 30, 2003. The agency created a special Competitive Sourcing Office (CSO) within the Management organization, which is the lead for competitive sourcing in FNCS. HRD is playing a key role in the competitive sourcing initiative by providing human resources guidance for the development of Most Effective Organizations. This human resources guidance will include, but not be limited to deployment, reduction in force, transfer of function, labor management relations, and all key considerations of workforce planning and restructuring activities.

Additionally, competitive sourcing is a tool that FNCS can consider during workforce planning (e.g., filling critical skill gaps), or implement to enable restructuring efforts, as called for in Departmental guidance regarding USDA agency restructuring plans

6.2 FINANCIAL MANAGEMENT

FNCS can improve its financial management by the human capital efforts of educating financial and non-financial managers on sound financial management practices and holding managers accountable for financial management in their program and performance evaluations. The

USDA HC Plan specifically outlines an action strategy at the Departmental level for developing programs and tools that address crosscutting competency development needs such as financial management, which FNCS endorses. In addition, the FNCS goal of aligning the performance appraisal system with agency mission accomplishments will support accountability related to financial management.

6.3 EXPANDING ELECTRONIC GOVERNMENT

In June 2002, the Department published its eGovernment Strategic Plan. The plan focuses on improvements in electronic service delivery for citizens, external organizations, and employees. FNCS has supported the Department in the development of the eGovernment Strategic Plan, providing staff to USDA working groups responsible for formulating the Department's plan. Two areas in the eGovernment Plan that are directly related to improving human capital are knowledge management and employee development. The Knowledge Management and Employee Development section of this HC Plan highlights FNCS' planned activities in these areas. In addition, as noted FNCS has provided a staff representative to the Department to help work toward the completion of a business case for an enterprise-wide learning management system (LMS) to support USDA's eLearning initiative. FNCS has indicated that it will utilize this system, resources permitting, when it is developed. The system will enable the agency to offer and track courses, and provide direct and indirect training costs, attendance, certifications, types of training, time of training, courses offered, facilities used, and sources of training.

Furthermore, FNCS will follow the Department's lead regarding other eGovernment opportunities to increase efficiency of program and administrative staff. FNCS eGovernment Tactical Plan outlines FNCS eGovernment activities which support the Department's strategy as well as other eGovernment priorities that are critical to business operations. Some examples include eAuthentication, eDeployment Human Resources Online, eProcurement, ePermits/eCertificates, and eLoans. The training costs and potential staff time savings realized, as a part of the eGovernment efforts will be considered as a part of workforce planning and restructuring efforts.

6.4 BUDGET AND PERFORMANCE INTEGRATION

For Budget and Performance Integration to be effective at FNCS, there are several areas that could benefit from strong human capital management. These include skills building of budget and planning staff, and improved accountability.

To ensure optimal collaboration across planning and evaluation and budget, staff in these areas will need developmental opportunities to better understand the facets of each other's profession, including training and rotational assignment. The employee development action strategy that calls for career planning based on mission requirements and specific agency goals provide an opportunity for these developmental efforts in the planning and budget areas. Further, the FNCS HC Plan's goal of aligning the performance appraisal system with agency mission accomplishments will support accountability related to budget and performance integration.

APPENDIX A: IMPLEMENTATION PLAN

A.1 IMPLEMENTATION PLAN OVERVIEW

This human capital implementation plan shows the timeframes in which FNCS will undertake the action strategies in this plan, and identifies key performance measures.

A key element in determining successful implementation of FNCS' HC Plan is measuring how we are progressing with our goals and whether our action strategies are effectively addressing those goals over time. Performance measures will function to monitor progress toward meeting goals on two levels. First, adhering to the agreed-upon timelines and meeting certain milestones will help to assess where we are against our project schedule. Second, a high-level set of critical measures will assist executives in managing the new initiatives being implemented. These measures enable FNCS to assess progress against a goal and identify any areas needing improvement, while making efficient use of the resources available.

Additionally, FNCS will pay particular attention to a few pervasive human capital challenges, which the Subcabinet executives and other external stakeholders consider to be high priority. Currently, five key outcomes are identified in the pervasive human capital challenge category. These key outcomes are also mentioned in the December 2002 GAO Report (*GAO-03-225 Status of Addressing Major Management Challenges*). They are directly related to the pervasive human capital challenges in Strategic Alignment, Talent Management, Leadership Development and Succession Planning, Performance Management, and Diversity, EEO, and Civil Rights. In the Action Plans (section A.2), the measures tied to pervasive human capital challenges are denoted with an asterisk symbol (*).

The process for monitoring, analyzing, and evaluating all performance measures is fully described in the USDA Human Capital Accountability System Plan (separate document). A quarterly reporting process that is a key component of the accountability system will provide ongoing tracking, monitoring, and evaluation of the FNCS HC Plan implementation.

A.2 ACTION PLANS

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Strategic Alignment and Human Capital Planning	Goal 1: Institute a practice of systematic human capital management that is aligned with the USDA and agency strategic plans and integrated with budgets *Measure 1a: 100 percent of USDA Departmental Administration and Mission Areas/Agencies have developed HC strategies, which are aligned with Strategic Plans or Annual Performance Plans by FY04.	A 1.0 Develop (i.e., either by developing a unique FNCS plan or adopting and modifying the Department's HC Plan) and begin implementing a human capital plan that includes a communications component.	2nd Qtr FY03 with ongoing activities; 4 th Qtr FY03 first HC Plan due with a review to be conducted the 1 st Qtr of each FY
		A 2.0 Integrate human capital plan elements into FNCS strategic plan/annual performance plans as the opportunity presents itself.	1 st Qtr FY03 start discussion with ongoing activities
		A 3.0 Set priorities for resources and funding in accordance with the FNCS human capital plan.	3 rd Qtr FY03, review 3 rd Qtr of each FY
		A 4.0 Participate regularly in Departmentwide collaboration efforts.	1 st Qtr FY03 with ongoing activities

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Workforce Planning and Deployment	Goal 2: Institute a Departmentwide practice of conducting workforce planning that enables the Department and our agencies to efficiently and effectively deploy the workforce, as well as prevent skills gaps. Measure 2a: 100 percent of USDA agencies have developed a workforce plan, including reviewing their structure, which has been reviewed by OHRM no later than FY04	A 1.0 Conduct workforce planning using the Departmentwide model with program manager involvement.	Begin effort in 3 rd Qtr FY03, complete 4 th Qtr FY03
		A 2.0 Develop and implement workforce restructuring plans, with program manager involvement, that incorporates competitive sourcing solutions and resource savings related to eGovernment efficiencies.	4 th Qtr FY02 with ongoing activities to be completed in 1 st Qtr FY07
		A 3.0 Provide updates (all USDA agencies that have not done so, e.g., non-service centers excluding Forest Service) to the Department on restructuring plans.	Began 4 th Qtr FY02, reporting in 1 st Qtr FY03, activities to be completed 1 st Qtr FY07

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Accountability System	Goal 3: Ensure that USDA HR programs are strategically aligned, effective, efficient, and in compliance with applicable laws and regulations (e.g., Veteran's Preference, EEO, Merit System Principles) using a Departmentwide accountability system. Measure 3a: Percent of USDA agencies showing progress on OPM's Human Capital Standards for Success	A 1.0 Participate in the development of USDA's HRM Accountability Program.	Began 4 th Qtr FY02, completion 1 st Qtr FY03
		A 2.0 Systematically evaluate FNCS programs using processes, tools, and schedules contained in the USDA Accountability Program	2 nd Qtr FY03 with ongoing activities
		A 3.0 Provide quarterly reports on progress towards USDA Accountability Program goals and actions.	4 th Qtr FY02 with ongoing activities

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Talent Management	Goal 4: Align recruitment and retention strategies with workforce planning efforts to enhance the effectiveness of these efforts and close critical position and competency gaps. *Measure 4a: No USDA mission-critical occupations with significant skills gaps (less than 15 percent) by FY07	A 1.0 Develop and align FNCS-specific recruitment and retention plans with workforce planning and deployment plans; focus on mission-critical positions and existing and projected competency gaps.	4 th Qtr FY03 with a review the 4 th Qtr of each successive FY
		A 2.0 Train recruiters and supply the necessary materials to effectively represent FNCS and USDA.	Began in FY02 with ongoing activities
		A 3.0 Continue to explore and promote the use of HR flexibilities to recruit and retain employees and emphasize planning for their use in the budget cycle.	Began in FY02 with ongoing activities
		A 4.0 Increase the use of senior-level leaders and program managers in recruiting activities, especially those focused on meeting diversity goals and filling mission-critical and competency-gap positions (e.g., at the university level and PMI program).	3 rd Qtr FY03 with ongoing activities

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Leadership Development and Succession Planning	Goal 5: Ensure leadership continuity and development through workforce planning and analysis, and optimal use of available tools and resources throughout the Department, in order to better achieve mission requirements. *Measure 5a: Retention rate of employees in career GS-15 and SES positions *Measure 5b: Ratio of employees (GS-14 and above) enrolled in or having completed a managerial development program or SESCO versus SES career positions	A 1.0 Include the leadership function (i.e., managers, supervisors, and SES cadre) in the workforce planning and analysis process to identify FNCS-specific position and competency requirements.	2 nd Qtr FY03
		A 2.0 Develop FNCS-specific succession plans using a Departmental framework and toolkit.	Begin 4 th Qtr FY03, completion 1 st Qtr FY04

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Knowledge Management and Employee Development	Goal 6: Ensure that USDA captures and shares knowledge, and develops employee competence to better perform the Department's mission. Measure 6a: Responses to the Government Wide	A 1.0 Actively participate in the eGovernment enterprise-wide content/knowledge management effort to ensure human capital issues are addressed; implement Department's knowledge management strategy when complete.	2 nd Qtr FY03
		A 2.0 Develop and/or implement a training strategy linked to workforce planning and deployment efforts that addresses standards for technology investments.	4 th Qtr FY03
		A 3.0 Participate in and support implementation of the on-going eGovernment enterprise-wide efforts to establish a learning management system; implement the Department's LMS when available.	Began in FY02 with ongoing activities

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
	<p>Government-Wide Survey (GWS) Leadership and Knowledge Management questions # 45 - #50 are at or above the 3.00 indicator level</p> <p>Measure 6b: 100 percent of USDA agencies with Knowledge Management strategies in place by FY07</p>	A 4.0 Assess the impact of FNCS training strategies on closing competency gaps and meeting business goals.	Begin in 4 th Qtr FY04, with ongoing activities

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Performance Management	<p>Goal 7: Ensure the performance appraisal system is aligned with Departmental/ organization mission accomplishment and is linked to employee development and recognition programs, ultimately improving individual and organizational performance.</p> <p>*Measure 7a: Responses to GWS Performance Culture Survey questions are at or above the 3.00 indicator level</p>	A 1.0 Link the performance management system (including performance appraisal, awards and recognition, and developmental needs) with organizational mission accomplishment for all employees starting with managers. Where the linkage is established, educate/communicate to employees about the linkage.	Begin 4 th Qtr FY03, completion 1 st Qtr FY04 with ongoing activities
		A 2.0 Work with OHRM to assess the effectiveness of the FNCS performance management system (including performance appraisal, awards and recognition programs, and related development strategies) and ensure that the system addresses performance distinctions.	Begin 4 th Qtr FY03, completion 2 nd Qtr FY04

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Diversity Management, Equal Employment Opportunity, and Civil Rights	Goal 8: Ensure a diverse workforce with the necessary skills to accomplish the USDA mission and strategic goals. Measure 8a: 90 percent of diversity goals met by FY04 Measure 8b: 95 percent of USDA agencies have active diversity outreach strategies by FY04 *Measure 8c: Percent of Civil Rights employment complaints processed in under 180 days by FY07	A 1.0 Ensure that diversity, civil rights, and EEO are properly aligned with and incorporated, as appropriate, into all strategic planning initiatives and annual performance plans.	1 st Qtr FY04
		A 2.0 Incorporate diversity targets in workforce planning; continue to focus on attracting, hiring, developing, and advancing applicants and employees who are members of under-represented and socially disadvantaged groups.	1 st Qtr FY04
		A 3.0 Participate in Departmentwide information collection and sharing to facilitate compiling and disclosing data used in assessing compliance with civil rights, EEO, and related reporting requirements.	2 nd Qtr FY03

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
Labor and Employee Relations and Conflict Management	Goal 9: Prevent and successfully resolve employee disputes and maintain effective working relationships with labor organizations. Measure 9a: Response to GWS Leadership Survey question #25 is at or	A 1.0 Incorporate basic LMR and labor contract administration training into new supervisor training or new labor contract orientation programs for supervisors and managers.	Began in FY02, completion 1 st Qtr FY05
		A 2.0 Establish an FNCS LMR strategy and plan that articulates goals and actions the agency will take to address LMR issues and obligations that may arise in conjunction with agency program changes.	Began FY02, completion 1 st Qtr FY04

HC COMPONENT	HC PLAN GOAL/ MEASURE(S)	ACTION STRATEGY	TIMEFRAME
	<p>question #25 is at or above the 3.00 indicator level</p> <p>Measure 9b: Usage rate of workplace ADR Program</p> <p>Measure 9c: Percentage of disputes resolved through USDA ADR Program</p> <p>Measure 9d: Percent reduction in Unfair Labor Practice (ULP) charges per bargaining unit employee</p>	A 3.0 Participate in the development of the standardized electronic dispute record system and its eventual implementation.	Begin 4 th Qtr FY03, completion 3 rd Qtr FY04

APPENDIX B: CIVIL RIGHTS

B.1 SECRETARY'S CIVIL RIGHTS STATEMENT

President Abraham Lincoln founded the United States Department of Agriculture in 1862 to serve the people of this Nation. Today, nearly 150 years later, USDA employees are among the finest public servants, committed to ensuring that every customer and colleague is treated with fairness, equality, and respect.

As your Secretary, I am firmly committed to ensuring USDA's compliance with civil rights and equal employment opportunity for everyone regardless of race, color, national origin, gender, religion, age, disability, sexual orientation, marital or family status, political beliefs, parental status, or protected genetic information.

There is no principle more important. We must comply with every aspect of our Nation's civil rights laws. To do otherwise is simply not acceptable and will not be tolerated.

As public servants, we cannot be effective without being fair. We cannot be responsive without being respectful. We cannot deliver programs and services without being sensitive to the human issues that are so much a part of our work.

Our adherence to these principles also requires a swift, reasonable, and credible process for addressing and remedying deficiencies. It must also include consistent education and outreach to ensure civil rights are protected, our laws are enforced, and discrimination in any form is prevented.

This must be our passion and our vision. We must continue to strive for a workplace and society that are inclusive and respectful of differences, while working toward unity and harmony. Our actions must always speak louder than our words.

With your help and commitment, and using our collective best efforts across every agency and every office, we can reach new heights. Together, we can create a better workplace for all employees, and a Department that delivers programs and services to all people fairly and with integrity and equality.

I look forward to fulfilling this vision- our goals- together.

Ann M. Veneman

Secretary

B.2 CIVIL RIGHTS POLICY STATEMENT

The United States Department of Agriculture's (USDA) Strategic Plan for Fiscal Years 2002–2007, Civil Rights policy, human capital management strategy, and performance measures impact how USDA recruits, trains, develops, and retains employees. Building and maintaining a *dynamic and effective* USDA is inextricably linked to creating and sustaining both a:

- High-quality, high-performing, diverse workforce at all levels within USDA, and
- A workplace environment free from discrimination, harassment, intolerance, and reprisal.

Underlying the accomplishment of USDA's goals of *service to customers and efficient management* are providing, ensuring, and promoting a **workplace** where **employees** and **applicants** for employment are:

- Treated equitably, fairly, and justly,
- Assured equal opportunity for development and advancement,
- Encouraged and supported to reach their full potential in the performance of meaningful work, and
- Recognized and rewarded for their achievement and the value of their contributions to ensuring USDA customers experience top-quality customer service and equal access to all USDA programs and services.

USDA policy prohibits reprisal, harassment, or discrimination based on

- | | | <i>And where applicable</i> |
|--------------------------|--|--|
| • Age | | • <i>Status as a parent</i> |
| • Color | • <i>Familial status</i> | • <i>Sex (Gender)</i> |
| | • <i>Marital status</i> | • <i>Sexual orientation</i> |
| | • <i>Political affiliation</i> | • <i>Because all or part of an individual's income is derived from any public assistance program</i> |
| • Disability | • <i>Protected genetic information</i> | |
| | • <i>Religion</i> | |
| • National origin | | |
| • Race | | |

USDA is dedicated to strategic, administrative, advocacy, change management, and employee developmental actions taken under the Human Capital Plan that do not adversely affect or disproportionately impact any group of USDA employees or applicants.

APPENDIX C: GLOSSARY

Accountability System—Departmentwide system to ensure human capital decisions are strategically aligned, effective, efficient, and guided by the Merit System Principles, Veteran's Preference, and related public policies

Civil Rights Impact—Those consequences of policies, actions, and decisions on the civil rights and opportunities of protected groups or classes of individuals who are USDA employees (or applicants) or program beneficiaries

Civil Rights Implications—Information or data that suggest, or from which one may infer, that a policy, action, or decision will affect protected groups or classes, positively or negatively, because of one or more prohibited bases

Corporate Standard—The minimum standard for human capital efforts that USDA agencies must reach

Diversity Advisory Council (DAC)—Employee body that provides advice on a variety of workplace issues raised by the USDA employee advisory councils

Farm Security & Rural Investment Act—The May 2002 Act that makes significant changes in farm program structure and funding to help bring much needed stability to the Nation's farmers and ranchers. Specifically, the Act provides: 1) certainty and a strong safety net for farmers over the next 6 years; 2) record-level support for conservation programs on working farms to preserve wetlands and improve soil and water quality; 3) new support for food stamp and nutrition programs; 4) new tools to support trade expansion for our agricultural products; 5) a new energy title to promote agriculture's contribution to our energy needs; 6) increased investment in research, value-added programs, animal and plant disease protections, and food safety; and 7) a wider range of funding and new authorities to improve the economic prospects and quality of life in rural areas, thus expanding authority to finance telecommunications, renewable energy, and business and community projects

Food and Agricultural Policy: Taking Stock for the New Century—Bush Administration policy document that describes the results of scientific research and USDA experience in implementing agricultural policy and sets out policy principles covering such areas as trade, farm assistance, infrastructure, conservation, rural communities, nutrition and food assistance, and program integration

Food and Nutrition Service (FNCS)—USDA agency responsible for increasing food security and reducing hunger in partnership with cooperating organizations by providing children and needy families access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence

Human Capital (HC)—The strategic management and deployment of an organization's human resources

Human Capital Imperatives—The critical human capital management issues on which USDA must focus

Human Capital Planning—The systematic process of assessing the current state of human capital in an organization, designing a vision for the future, and developing goals and strategies to support the organization’s business objectives

Human Resources Leadership Council (HRLC)—Human resources body composed of agency and mission area personnel officers for the purpose of discussing common issues and spearheading new initiatives

Individual Development Plans (IDP)—Employee learning and career development tools that outline a roadmap for meeting individual and organizational performance objectives

Inventory Gap Analysis—The process of identifying the current staffing requirements for critical occupational series, projecting the future staffing requirements for these occupations, and developing strategies for addressing those gaps

Knowledge Management/Content Management—Enterprise-wide eGovernment effort to capture retiree and departing employee knowledge, address competency gaps, and promote communities of practice and information sharing

Learning Management System (LMS)—A system to support continuous learning, track training investments, and utilize learning technologies

Mission-Critical Occupations—Occupations that are key to USDA’s success in meeting basic mission requirements

Office of Civil Rights (CR)—Departmental Administration office that provides overall leadership, coordination, direction, oversight, and technical assistance within USDA and its programs to ensure fair and equitable treatment of USDA customers and employees consistent with the delivery and enforcement of civil rights programs and activities

Office of Human Resources Management (OHRM)—Departmentwide resource for strategic human resource management issues, OHRM designs and operates programs and activities to attract, hire, develop, retain and advance a diverse, high-performing workforce

Performance Management System—Departmentwide system that sets the parameters within which USDA agencies can design their own performance management programs, including aligning employee and team performance expectations with organizational strategic plans, providing for employee performance evaluation that focuses on results and objective measures of performance, and focusing on two-way communication of performance objectives and accomplishments

Performance Measure— Long-term performance targets to provide perspective on goal attainment and to assess the overall “health” of human capital in the department

Pervasive Human Capital Challenges—Those human capital outcomes which USDA’s Subcabinet executives and other external stakeholders consider to be high priority

Protected Groups or Classes—Any individual or group of individuals protected under Federal law or Executive Order from discrimination based on any prohibited bases

Senior Executive Service (SES)—Corps of executives selected for key public sector leadership positions just below top Presidential appointees

Skills/Competency Gap Analysis—The process of identifying the current skills and competencies existing in the workforce, forecasting the future skills and competencies needed in the workforce, and developing strategies to bridge those gaps

Strategic Planning—The process of developing strategic goals, defining key outcomes, and communicating the intent for action and results, which is grounded in the Department Administration’s policy and management objectives

Succession Planning—The process of identifying and developing a cadre of individuals prepared to succeed to managerial and leadership positions

Workforce Planning—The process of conducting workload and workforce supply and demand analyses in order to project the future size, composition, and competencies needed. This information can be used as a strategic basis for prioritizing resources and making long-term human resources decisions grounded in USDA’s business goals and budgetary constraints

Workforce Restructuring Plan—Major Departmental effort to streamline program delivery and/or administrative structures to improve service delivery